GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3172
ANSWERED ON:11.08.2000
DEFAULTING COMPANIES
A. VENKATESH NAIK

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have identified about 2.25 lakh Non-banking defaulting companies who have not been filing their balance sheets, profit and loss accounts as well as the annual returns every year;

(b) if so, whether the Government have issued notices to these companies;

(c) if so, the names of top 10 companies to whom notices have been issued;

(d) whether any penalty has been imposed against these companies;

(e) if so, the details thereof; and

(f) the action proposed to be taken against those who failed in submitting their documents after the warnings?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a)&(b) Reference is presumably to `The Company Law Settlement Scheme, 2000` which has been announced by the Department of Company Affairs for ensuring compliance with the statutory requirement for companies to file their balance sheet and profit and loss account as well as annual returns and other documents with the Registrar of Companies every year. As far as non submission of balance sheets by Non-banking Finance Companies ()NBFCs) is concerned 3760 NBFCs/Residuary Non-Banking Companies (RNBCs) have failed to submit their balance sheet as on March31st/June 30, 1999 to the RBI.3024 NBFCs/RNBCs failed to submit annual returns to Reserve Bank of India (RBI) as on March 31, 1999Most of the defaulting NBFCs are those whose applications for Certificate of Registration have been rejected by the RBI.So far, notices for non-submission of balance sheets/annual returns for the year 1999 have been issued by RBI to 2932 NBFCs/RNBCs.

(c) A list of top 10 NBFCs (on the basis of assets size) to whom notices were issued by RBI for non-submission of balance sheet/annual returns for the year 1999 is as under :

1. MCC Finance Ltd., Chennai.
2. Kuber Mutual Benefit Ltd., Lucknow.
3. Integrated Enterprises (I) Ltd. Chennai.
4. Shoppers Investment & Finance Company Ltd., Chennai.
5. Krishi Export Commercial Corporation Ltd., Lucknow.
6. Sanmac Motor Finance Ltd., Chennai.
7. Lakshmi Trade Credits Ltd., Chennai.
8. Elgi Finance Ltd., Chennai.
9. Coimbatore Lakshmi Investment and Finance Company Ltd., Chennai.
10. Rapti Growth Fund Ltd., Lucknow.

(d) to (f) Steps such as rejection of application for Certificate of Registration, filing of criminal complaints and filing of winding petitions have been taken by the RBI in a number of cases.